

JANUARY 17, 2002

SCHAKOWSKY PARTICIPATES IN PANEL ON LONG TERM CARE NEEDS OF AGING PARENTS

EVANSTON, IL - Residents of the 9th Congressional District tonight joined U.S. Representative Jan Schakowsky (D-IL) for a discussion on the long-term care needs of aging parents. Schakowsky said, "Our challenge is to create housing, health care, retirement and support services that don't just address a theoretical "senior" population - but address the individual needs of individual seniors and their families."

Below is the full text of Schakowsky's statement:

For decades, we have been committed to expanding the life-span of Americans, and we have been successful. Greater access to health care through Medicare, new treatments, exercise and activities, has allowed our parents and grandparents to live longer and live better.

Policy makers are looking at these demographics carefully. According to the U.S. Census Bureau, the number of persons age 65 and older will grow to over 53 million by 2020, a 50 percent increase from today. As important, the number of persons age 85 and older will grow by even more. In 20 years, that number will grow by 62% -- to 6.5 million.

Each one of those numbers represents real people - our parents, grandparents, friends and neighbors. As we know, each one of those people has different needs and different concerns. Our challenge is to create housing, health care, retirement and support services that don't just address a theoretical "senior" population - but address the individual needs of individual seniors and their families.

In housing, that means that we must have a vibrant continuum of care and services that starts by ensuring that seniors can stay in their own homes and be active members of their communities. We need to protect seniors from scam artists, so that they don't lose their homes. I have introduced H.R. 2531, the Save Our Homes Act, to ban predatory lending practices. Predatory lenders often prey on seniors, hooking them into high-interest loans that all too often result in massive debt and foreclosures.

Many of our parents and grandparents, however, also need housing assistance. According to the 1999 American Housing Survey, there are 25 million households headed by a person age 62 or older. 1 in 5 - 20% -- are renters. And half of those renters pay more than 30 percent of their income on housing. This heavy rent burden is on top of the very heavy health care burdens many of them face. One-third of all households receiving federal housing assistance (not including mortgage deductions) are headed by seniors. Many senior citizens benefit from Section 8, a voucher program

that provides rental subsidies. However, as the housing market becomes more expensive and Section 8 contracts expire, the pressures on this program are growing.

The major federal housing program for the elderly is Section 202, administered by HUD. Section 202 is the only federally-funded, new construction housing program that focuses on meeting the needs of senior citizens. Section 202 funds can be used for construction or rehabilitation of housing projects. They can also be used to improve housing by providing supportive services such as meals, transportation, housekeeping, personal care and health services. Finally, they can be used to convert existing projects into assisted living facilities. This is a critical program, yet it is seriously underfunded. According to an AARP survey, there are 9 senior citizens waiting for every Section 202 vacancy. And that number is growing. While new facilities are being built to meet the needs of new tenants, the AARP survey also found that managers of existing Section 202 housing don't have the funds to retrofit the oldest projects, where many of the oldest residents are concentrated.

The need for senior housing is growing but federal funding is not. Last year, Congress passed a VA/HUD appropriations bill that includes \$783 million for senior citizen housing building and retrofitting programs. We provided \$50 million to provide support service coordinators in Section 202 projects and \$50 million to convert housing to assisted-living programs.

We had to fight hard for what is only a one percent increase in the budget for senior housing programs - not even enough to keep pace with inflation. And, as we know, those 9 senior citizens are still in line waiting for a vacancy. We need to find the resources so that housing is both available and affordable. But that is not enough. Housing must also be appropriate.

Once again, the demographics are important. Many senior citizens are healthy and active. But many are not. A study by the Lewin Group for the AARP estimates that the number of senior citizens who need help with 2 or more activities of daily living (walking, bathing, eating, dressing, transferring from a bed or chair or using the toilet) will grow by 65% over the next twenty years. By 2020, there will be nearly 3 million parents and grandparents who need help with major life activities.

There are many new ideas about how to provide that help and allow senior citizens to stay in their communities. The assisted living movement is growing here and around the country. There is no uniform definition of assisted living but it is generally defined as a combination of housing, supportive services, personalized assistance, and health care designed to respond to individual needs and allow persons to live with the maximum amount of dignity and independence. While we generally think of assisted living as facility-based, there are some home-based or apartment-based models. Assisted living receives a small amount of federal funding -- \$50 million - through HUD Section 202, and services are also partially funded through the Medicaid Home and Community-Based Services program. Still, 85 percent of assisted living is privately funded.

One challenge before Congress is to provide more support for those services. But, in doing so, we also need to look at standards for those services. Right now, assisted living providers argue that the federal government should not impose quality and consumer protection requirements, since the federal government doesn't pay the bill. However, many others argue that quality problems require federal oversight. A 1999 U.S. General Accounting Office report found that 25 percent of assisted living facilities had five or more quality of care or consumer protection violations. 1 in 10 were cited for 10 or more problems. Today, only the states regulate those problems.

I am a cosponsor of H.J.Res. 13 which calls on President Bush to convene a White House Conference to develop national recommendations to promote assisted living facilities while ensuring quality of care. For all of us who believe that this is an important way to allow our parents and grandparents to "age in place," the need for greater federal support is evident.

Some seniors, however, will need greater access to medical or custodial care and will need nursing home care. In March 2000, my colleagues Representatives Blagojevich and Rush and I released a study of Chicago metropolitan area nursing homes. We found that 79% of Chicago area nursing homes violated federal health and safety standards. One in seven had been cited for at least one violation that caused actual harm to residents or placed them at risk of death or serious injury. A year later, we released another study that found that those nursing homes that met minimum staffing ratios had 60 percent fewer violations. However, only 16% of nursing homes met the preferred staffing ratios.

Of course, many nursing homes provide quality care, but we believe that every person who enters a nursing home deserves to know that she or he will receive the best possible care. That is why I introduced H.R. 3331, the Quality Care for Nursing Home Patients Act of 2001 in November. That bill would mandate that nursing homes meet the minimum staffing ratios developed by groups like the National Consumers Coalition for Nursing Home Reform, the National Committee to Preserve Social Security and Medicare, and nursing/gerontological experts from universities like Harvard and the University of California. At the same time, we would review payments to nursing homes to make sure that they are adequate to provide new staffing and make recommendations on how to attract more qualified health care workers to the field.

Whether we are talking about creating more affordable and appropriate housing, improving quality of care in assisted living facilities and nursing homes, or expanding Medicare to cover prescription drugs and long-term care, we are also talking about finding more federal resources to get the job done.

Many of you have heard about Senator Kennedy's speech yesterday calling for a repeal of future reductions in the top 3 marginal tax brackets and a repeal of the future elimination of the tax on estates over \$4 million. This is exactly the approach taken in H.R. 2999, the First Things First bill, that I introduced last fall. Under this bill, like Senator Kennedy's approach, tax cuts for persons earning less than \$130,000 would go

into effect. But, we would save over \$350 billion by not implementing additional tax cuts that would only affect those earning more than \$130,000 a year. Under my bill, those additional cuts could not go into effect until and unless we have met critical priorities: protecting Social Security and Medicare, providing seniors with a comprehensive drug benefit, creating affordable housing, repairing and building schools, and dealing with the aftermath of September 11.

It is important to remember that, even before the tragic events of September 11, the Congressional Budget Office and the Office of Management and Budget had projected 10-year deficits because of the Bush tax cut. We have the opportunity to stop implementation of tax cuts that have not yet gone into effect but when they do, will help only the wealthiest 1 percent of Americans. If we do not take advantage of that opportunity, our ability to meet the needs we have discussed here today will be greatly damaged."